

## **REMARKS**

The Office Action dated June 20, 2007 has been received and carefully noted. The above amendments to the claims, and the following remarks, are submitted as a full and complete response thereto.

Claims 1-32 are currently pending in the application, of which claims 1, 8, 15, 17, 24, and 31 are independent claims. Claims 1, 8, 15, 17, 24, and 31 have been amended to more particularly point out and distinctly claim the invention. No new matter has been added. Claims 1-32 are respectfully submitted for consideration.

Claims 1-7 and 17-23 were rejected under 35 U.S.C. 101, as being inoperative, and therefore as lacking utility, because the recitation “the first data record and the second data [record] are consecutive data records in the database,” is inconsistent with the context of the claim, in which the second data record is yet to be stored in the database. Claims 1 and 17 have been amended so as to avoid this inconsistency in phraseology. It is respectfully requested that the rejection of claims 1 and 17 be correspondingly withdrawn.

Claims 8-14 and 24-32 were rejected under 35 U.S.C. 101, as being directed to non-statutory subject matter. Applicants respectfully traverse this rejection.

Independent claim 8 is directed to a method, independent claim 24 is directed to a computer program embodied on a computer readable medium, and claim 31 is directed to a system. Each of these claim categories is, on its face, patentable subject matter, since 35 U.S.C. 101, includes “process” (method), “machine” (system), and “article of

manufacture” (computer program embodied on a computer readable medium” as statutory classes of protection. The remaining rejected claims depend from claims 8, 24, and 31 respectively. Accordingly, on its face, the rejection is clearly improper, and it is respectfully requested that the rejection be withdrawn.

The Office Action attempted to justify the rejection by stating that “the claimed invention fails to utilize the determined authenticity of the second record in furtherance of a potential ‘concrete, useful, and tangible result’ to form the basis of statutory subject matter under 35 U.S.C. 101.” The Office Action’s argument is misdirected: determining the authenticity of the second record is itself a concrete, tangible, and useful result. Accordingly, the alleged basis for the rejection is clearly erroneous, and it is respectfully requested that that the rejection be withdrawn.

The Office Action cited *State Street Bank & Trust Co. v. Signature Financial Group Inc.*, 47 USPQ2d 1596, at 1601-02 (Fed. Cir. 1998). The cited case, however, does not stand for the idea that a claim must recite a “useful, concrete, and tangible result,” in order to be patentable. Instead, in *State Street*, the Federal Circuit indicated that the transformation of data to produce a share price was a practical application of a mathematical algorithm because it produces the share price.

The present claims are not claims to a mathematical algorithm abstracted from any practical application. Application to the database arts is inherent in the presently pending claims, and accordingly, the presently pending claims are clearly patentable for the same

reasons the claims in *State Street* were patentable. Thus, again, it is respectfully requested that the rejection be withdrawn.

The Office Action also quoted MPEP 2106. MPEP 2106, however, is simply a set of interim guidelines and states that the section “does not have the force and effect of law.” (see the second paragraph thereof) Accordingly, even if the Office Action’s interpretation of MPEP 2106 were correct, that would not necessarily mean that the claims were improper, or that the rejection was proper.

Nevertheless, the Office Action’s quotation takes a portion of the MPEP out of context. In context, MPEP 2106 states:

The claimed invention as a whole must be useful and accomplish a practical application. That is, it must produce a “useful, concrete and tangible result.” *State Street*, 149 F.3d at 1373-74, 47 USPQ2d at 1601-02. The purpose of this requirement is to limit patent protection to inventions that possess a certain level of “real world” value, as opposed to subject matter that represents nothing more than an idea or concept, or is simply a starting point for future investigation or research (*Brenner v. Manson*, 383 U.S. 519, 528-36, 148 USPQ 689, 693-96 (1966); *In re Fisher*, 421 F.3d 1365, 76 USPQ2d 1225 (Fed. Cir. 2005); *In re Ziegler*, 992 F.2d 1197, 1200-03, 26 USPQ2d 1600, 1603-06 (Fed. Cir. 1993)).

In other words, the requirement described by MPEP 2106 is that the claimed invention must be useful and must accomplish a practical application. Determining the authenticity of a data record is both useful and a practical application, and the Office Action has not denied that. Accordingly, it should be clear that the Office Action has misapplied the “useful, concrete, and tangible result,” test, because the Office Action’s

conclusion based on that test yields a different result from the “useful and practical” test in the first sentence of the above-reproduced paragraph. Moreover, the third sentence of the above-reproduced paragraph confirms that the only purpose of the requirement is to ensure that the invention has real-world value. The presently claimed invention, however, undeniably has real world value, and the Office Action has not denied that.

In short, the Office Action appears simply to have slightly misapplied the “useful, concrete, and tangible result” test. The test does not require that the claim recite such a feature, but only that the claimed invention – as a whole – be more than simply an idea or concept. Since the claimed invention is clearly more than just an idea or concept, but is rather a practical application in the area of database technology, it is respectfully requested that the rejection be withdrawn as improper.

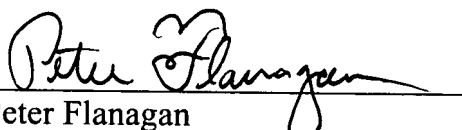
Finally, the Office Action had apparently identified a way that this rejection could be overcome by amendment. Specifically, the rejection would apparently be overcome by adding a recitation such as, “wherein the determination that the checksums are either authentic or invalid is returned to an entity or user for further processing.” Applicants respectfully submit that U.S. law does not require such a further feature to be recited in the claims.

For the reasons set forth above, it is respectfully submitted that each of claims 1-32 recites subject matter that is neither disclosed nor suggested in the cited art. It is, therefore, respectfully requested that all of claims 1-32 be allowed, and that this application be passed to issuance.

If for any reason the Examiner determines that the application is not now in condition for allowance, it is respectfully requested that the Examiner contact, by telephone, Applicants' undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition of this application.

In the event this paper is not being timely filed, Applicants respectfully petition for an appropriate extension of time. Any fees for such an extension together with any additional fees may be charged to Counsel's Deposit Account 50-2222.

Respectfully submitted,

  
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